

# Legislative Fiscal Bureau

## Fiscal Note

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SF 164 - Volunteer Firefighter Property Tax Checkoff (LSB 2298 SS)

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Fiscal Note Version — New

Requested by Senator Veenstra

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### **Description**

Senate File 164 creates a fire fighter preparedness fund under the control of the Division of Fire Protection in the Department of Public Safety. The Bill also creates a voluntary checkoff for a Fire Fighter Preparedness Fund to be included in each property tax statement delivered to the county treasurer.

### **Assumptions**

1. The State Fire Service and Emergency Response Council will design the checkoff form.
2. The number of individuals who might contribute through the checkoff form is unknown.
3. Money in the Fire Fighter Preparedness Fund is appropriated to the Division of Fire Protection in the Department of Public Safety.
4. The county treasurer is required to remit to the Treasurer of State on the 15<sup>th</sup> of each month contributions received for fire fighter preparedness.
5. A person or entity receiving the tax statement may choose to contribute not less than one dollar.
6. In FY 2002, there were 1.0 million residential properties who paid property tax, 90,000 commercial property owners who paid property tax, and 5,000 industrial property owners who paid property tax.
7. In FY 2002, there were 737,000 homeowners in Iowa.
8. In FY 2000, the Fish and Wildlife Checkoff had 11,900 contributors resulting in \$132,000. The average contribution per person was \$11.00. The State Fair Checkoff has 9,200 contributors resulting in \$96,000. The average contribution per person was \$10.00.
9. Thirty counties outsource approximately 450,000 tax statements. For the remaining smaller counties, there are approximately 5,000 to 15,000 tax statements per county sent to property tax payers, depending on the county size. According to the Iowa State Association of Counties, postage costs are estimated to increase between 5.0% and 10.0%. For approximately 10.0% of Iowa's 99 counties, there may be a need to send larger envelopes.

### **Fiscal Impact**

Senate File 164 may result in increased costs to county governments. However, due to insufficient information, the fiscal impact cannot be determined. Senate File 164 is not expected to result in any significant cost increase to the Department of Public Safety.

While the level of contributions to the Fire Fighter Preparedness Fund cannot be determined due to insufficient information, the following examples are provided:

- Based on the number of State Fair Checkoff contributions (9,200), at an average contribution rate of \$10.00 per person, the Fund would realize approximately \$90,000 annually.
- Based on the number of Fish and Wildlife Checkoff contributions (11,900), at an average contribution rate of \$11.00 per person, the Fund would realize approximately \$130,000 annually.

**Sources**

Department of Revenue and Finance  
Iowa State Association of Counties  
Department of Public Safety

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/s/ Dennis C Prouty

March 18, 2003

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The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

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